



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

June 10, 2004

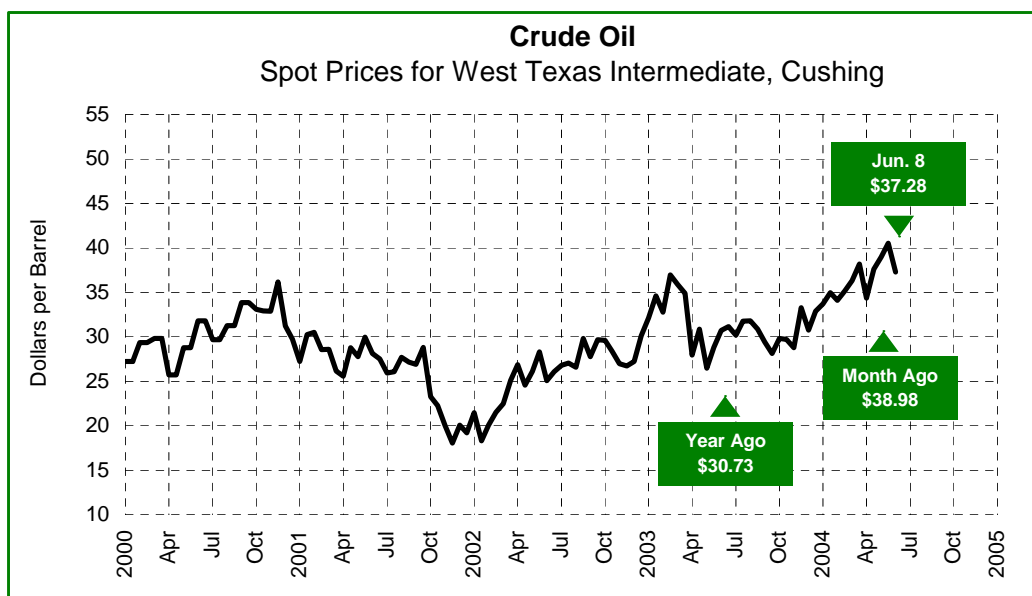
Crude Oil

From June 1 through June 9, the price of crude oil fell by over \$5, moving from a record high of \$42.33 per barrel to \$37.10 per barrel.

Crude Oil - Spot Prices (dollars per barrel)

	<u>06-08-04</u>	<u>05-04-04</u>	<u>change</u>	<u>06-02-03</u>	<u>change</u>
WTI	\$37.28	\$38.98	down 4%	\$30.73	up 21%

- From June 1 through June 9, the price of crude oil fell by over \$5, moving from a record high of \$42.33 per barrel to \$37.10 in response to OPEC production increases slated for July 1 and August 1 totaling 2.5 million barrels per day and continued talk of possible gasoline waivers this summer by the U.S. EPA.
- As of the week ending June 4, U.S. commercial supplies of crude oil stood at 302.1 million barrels, an increase of 0.4 million barrels on the week and 17.7 million above last year's level at this time. Crude supplies are well within the five-year average for this time of the year.



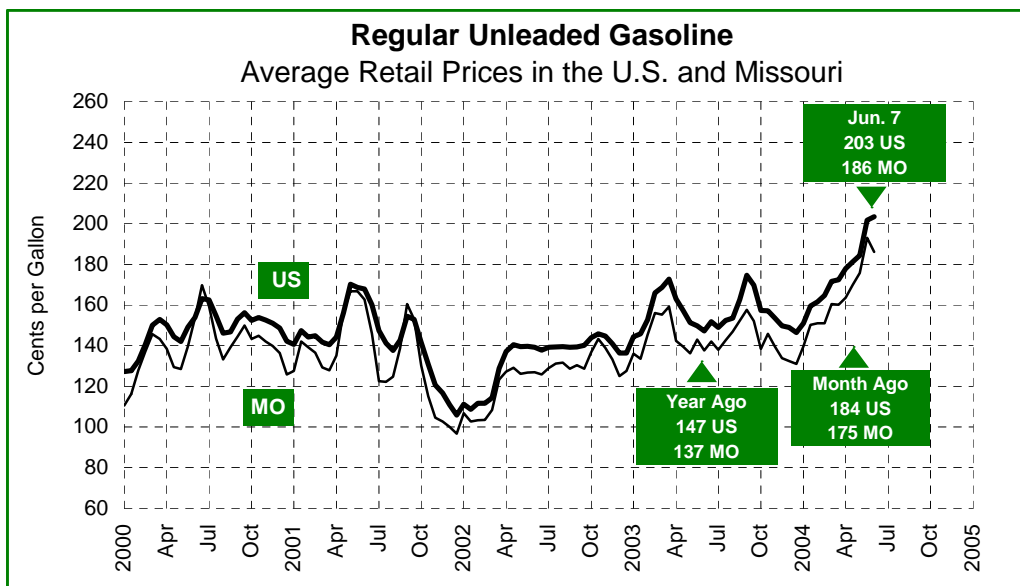
Transportation Fuels

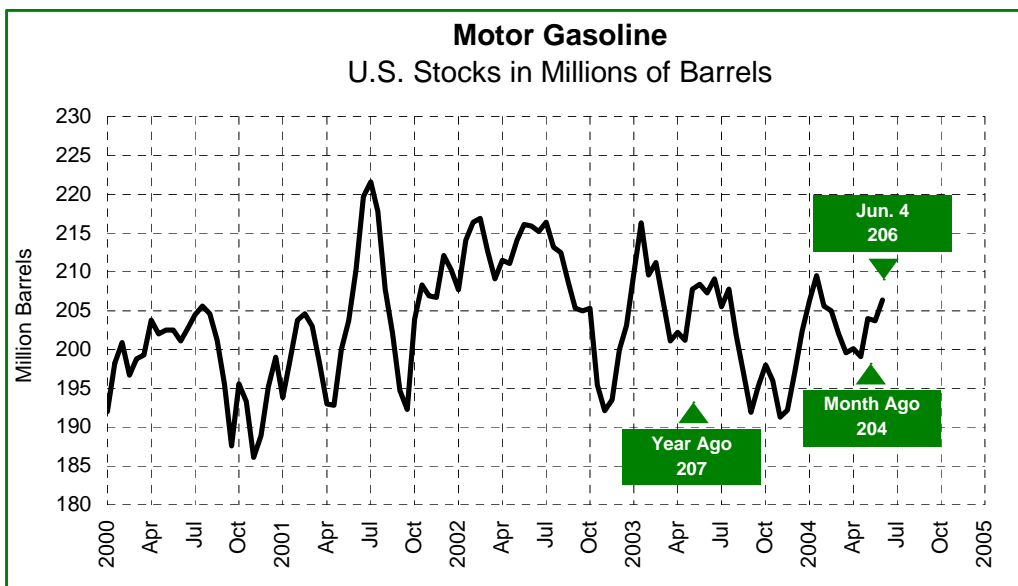
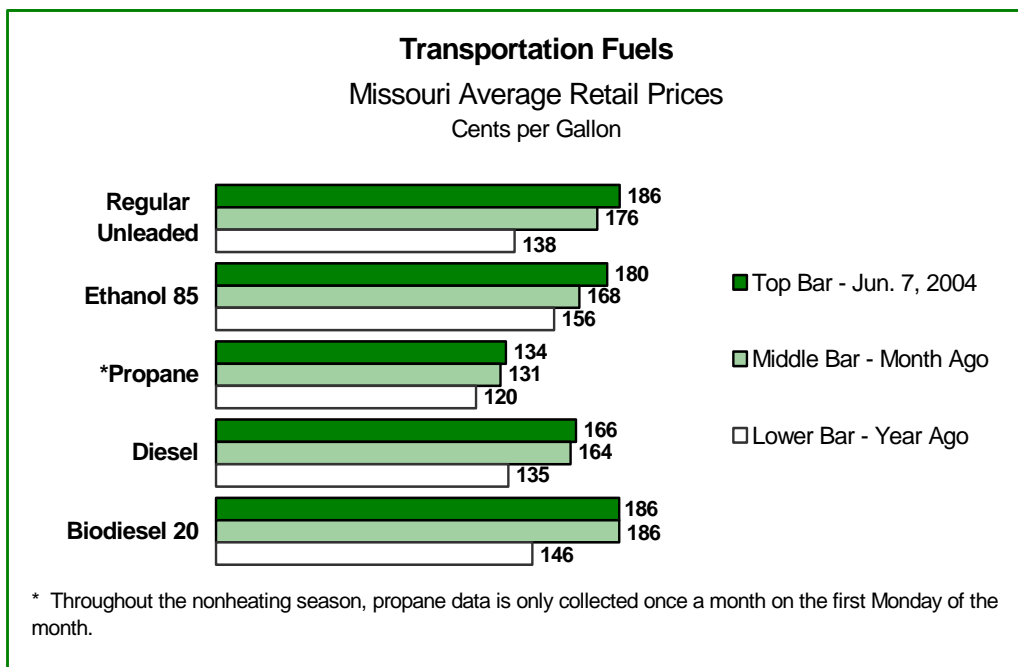
Following nearly two months of rising gasoline prices, the U.S. average retail price for gasoline fell by nearly 3 cents to \$2.034 on June 7.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	<u>06-07-04</u>	<u>05-03-04</u>	<u>change</u>	<u>06-02-03</u>	<u>change</u>
US	203	184	up 10%	147	up 38%
Missouri	186	176	up 6%	138	up 35%

Diesel Fuel - Retail Prices (cents per gallon)					
	<u>06-07-04</u>	<u>05-03-04</u>	<u>change</u>	<u>06-02-03</u>	<u>change</u>
Missouri	166	163	up 2%	134	up 23%

- Following nearly two months of rising gasoline prices, the U.S. average retail price for gasoline fell by nearly 3 cents to \$2.034 on June 7.
- U.S. gasoline supplies continue to improve with 2.1 million barrels added to storage for the week ending June 4. Although U.S. supplies have increased to 206.4 million barrels, they are still down about 3.5 million barrels compared to last year.
- U.S. gasoline supplies improved due to an increase in domestic gasoline production that moved higher at 8.8 million barrels per day compared to 8.5 million barrels per day last year and a rise in imported gasoline that increased to nearly 1 million barrels per day. Implied demand also fell by approximately 100,000 barrels per day.





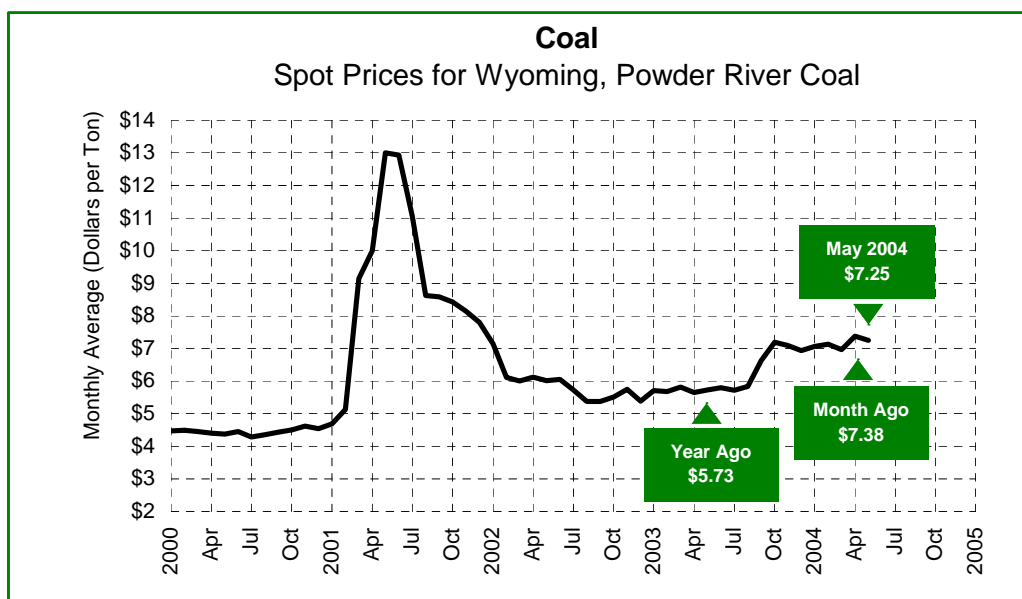
Coal

The average price paid for Powder River Wyoming coal is 27 percent higher than last year at this time.

Coal - Spot Prices (dollars per ton)					
	May '04	Apr. '04	change	May '03	change
Powder River	\$7.25	\$7.38	down 2%	\$5.73	up 27%

- Estimated coal production for the week ending May 29 was 20.487 million short tons (mmst). This was 0.7 percent below the comparable week in 2003. Year-to-date U.S. coal production is estimated at 441.885 mmst, or 1 percent ahead of the corresponding total for 2003.

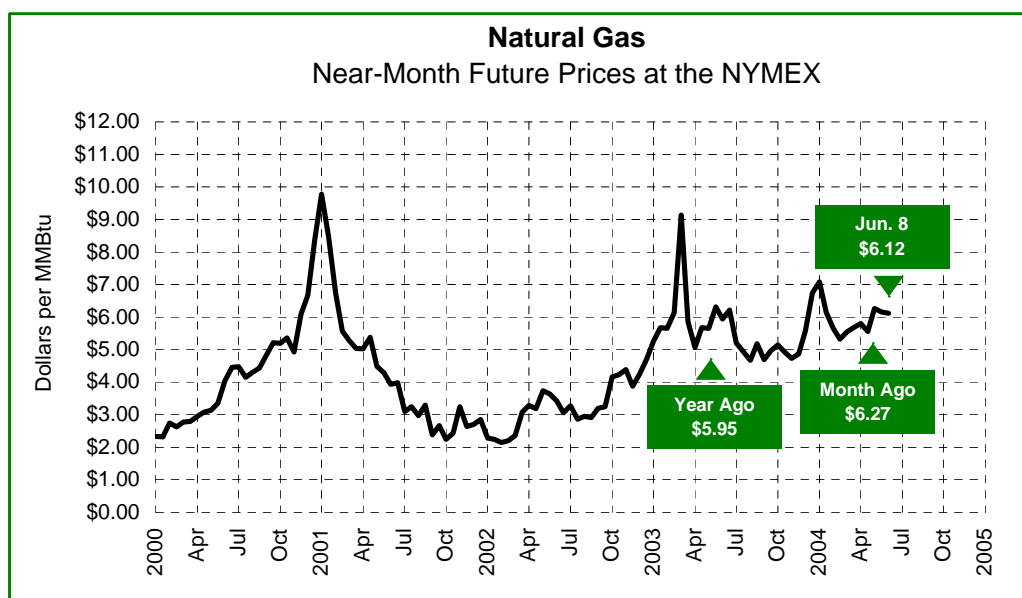
- With spot coal prices high and holding, new term contract prices are reportedly higher than in recent years for coal in the East. Some mines that were temporarily closed or curtailed are coming back on line. Eastern coal producers that can perform the additional needed coal preparation and produce good metallurgical coal are tapping into exceptionally high selling prices in the export market.



Natural Gas

For the week ending June 4, U.S. commercial supplies of natural gas stood at 1,564 Bcf or 0.5 percent below the 5-year average for this time of year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	06-08-04	05-04-04	change	05-28-03	change
NYMEX	\$6.12	\$6.27	down 2%	\$5.95	up 3%



- Working gas in storage increased by 87 Bcf to 1,564 Bcf as of Friday, May 28, according to EIA's Weekly Natural Gas Storage Report. The implied net injection of 87 Bcf is below the 5-year (1999-2003) average for the week of 93 Bcf, leaving stocks 0.5 percent below the 5-year average level.
- The lower supply build may have been influenced by temperatures that averaged above normal for much of the Middle Atlantic, the Southeast, and parts of Texas and the Midcontinent, and cooler than normal temperatures in the upper Midwest, parts of New England, and the northern Rockies.

Propane

Midwest propane supplies improved by 0.5 million barrels for the week ending June 4, placing supplies at 15.4 million barrels compared with 10.2 million barrels at this time last year.

<i>Propane - Residential Prices (cents per gallon)</i>					
	<u>06-07-04</u>	<u>05-03-04</u>	<u>change</u>	<u>06-02-03</u>	<u>change</u>
Missouri	115	115	down 1%	106	up 9%

- Since the end of the winter heating season, U.S. propane inventories have built by less than would normally be expected during this period. However, last week, U.S. supplies of propane experienced the largest weekly build of the season that totaled 2.6 million barrels last week placing U.S. supplies at an estimated 38.0 million barrels as of June 4, 2004. Midwest region supplies gained 0.5 million barrels last week, now reported at 15.4 million barrels compared to 10.2 million barrels last year. The additional propane is attributable to increases in petroleum production and imports.

Energy Bulletin Update

The Energy Bulletin has a new e-mail advisory service that will include an email and a direct link to the Bulletin on our web page rather than an email attachment. This new service will allow our readers to have easy and timely access to a newly designed Missouri Energy Bulletin that includes easier to read summaries of price and supply information as well as colored charts and graphs. To register for the new distribution service, please visit <http://www.dnr.mo.gov/energy/transportation/e-bulletin.htm>

Missouri Energy Outlook

The Missouri Energy Outlook, an energy resource analysis reviewing prices and availability of energy in Missouri over the summer months was released today by the Missouri Department of Natural Resources' Energy Center. Copies of the Missouri Energy Outlook are available online at the department's Web site at <http://www.dnr.mo.gov/energy/energyoutlook.pdf>, or may be obtained by calling the Missouri Department of Natural Resources' Energy Center at (573) 751-3443 or the department toll free at (800) 361-4827.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

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